Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 06-2004

Released: October 6, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF THE ASSETS OF NORTH DAKOTA TELEPHONE COMPANY TO SRT COMMUNICATIONS, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-185

Comments Due: October 20, 2006

Reply Comments Due: October 27, 2006

On October 2, 2006, SRT Communications, Inc. ("SRT") and North Dakota Telephone Company ("NDTC") (jointly, the "Applicants") filed an application pursuant to section 63.04 of the Commission's rules¹ requesting approval for the transfer of control of certain assets in the Velva exchange in North Dakota from NDTC to SRT. The Applicants did not request streamlined treatment for this application pursuant to section 63.03 of the Commission's rules.²

NDTC, a North Dakota corporation, provides landline telecommunications services in rural counties of North Dakota. NDTC is based in Devil's Lake, North Dakota and is owned by three North Dakota based telephone cooperatives: (1) United Telephone Mutual Aid Corporation (40.5%), based in Langdon, North Dakota; (2) Dakota Central Rural Telephone Cooperative (19%), based in Carrington, North Dakota; and (3) Polar Communications Cooperative (40.5%), based in Park River, North Dakota. Each of the three owners of NDTC is a cooperative that is owned by its respective members, none of whom owns as much as a one percent (1%) interest in the company. NDTC acquired the Velva exchange on June 1, 1996, which is located in McHenry County, North Dakota. As of June 30, 2006, NDTC provided service to 720 access lines in the Velva exchange.

SRT, a North Dakota cooperative corporation, has been a provider of telecommunications services within the state of North Dakota since 1951 and is subject to regulation and general supervision by the Public Service Commission of North Dakota. SRT is owned by its members, none of whom owns as much as a one percent (1%) interest in the company. SRT serves 26 rural exchanges in north

¹ 47 C.F.R § 63.04; see 47 U.S.C. § 214.

² The Applicants do not request streamlined processing of this application in view of the fact that a "Petition for Waiver to Change Study Area Boundaries" is also being filed in connection with the proposed transaction. *See* 47 C.F.R. § 63.03(c)(1)(i). NDTC's Velva exchange lies within the outer boundary of the exchanges served by SRT.

central North Dakota and as of June 30, 2006, provided service to 37,696 access lines.

SRT and NDTC have entered into a Purchase and Sale Agreement for SRT's purchase of NDTC's assets of the Velva exchange relating to provision of local exchange telecommunications service, exchange access and other local telecommunications service.³ The exchange consists of buried facilities, above ground facilities, and the right to serve customers, of which there are now approximately 720, in and near the city of Velva, North Dakota.

The Applicants state that the proposed transaction will serve the public interest because the Velva exchange is surrounded by SRT's existing landline exchanges. Customers in the Velva exchange will be able to call the Minot community toll free under SRT's Extended Area Service Plan. Minot is the economic hub city for the community of Velva. In addition, SRT already serves Velva exchange customers with wireless telephone services and cable television services. Velva exchange customers will now be able to obtain both landline and wireless services from one provider.

GENERAL INFORMATION

The transfer of assets identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of assets application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments **on or before October 20, 2006** and reply comments **on or before October 27, 2006**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get

³ NDTC does not provide interstate or international telecommunications services. Subscribers to NDTC's local exchange service in Velva and elsewhere have the ability to select any of numerous interexchange carriers for such services. One of many options offered to NDTC customers are the services of North Dakota Long Distance in which NDTC and its owners collectively hold a non-controlling ownership interest. SRT will make available to customers of the Velva exchange, as one of their options for interexchange services, the services of SRT Long Distance, which is an affiliate of SRT. No customers of the Velva exchange will be obligated to make any change in their selection of interstate or international service provider following the sale of the Velva assets of NDTC to SRT.

⁴ See 47 C.F.R. § 63.03(a).

filing instructions, filers should send an e-mail to <u>ecfs@fcc.gov</u>, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

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You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- 2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C230, Washington, D.C. 20554; email: Cecilia.Seppings@fcc.gov;
- 3) Denise Coca, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C260, Washington, D.C. 20554; e-mail: denise.coca@fcc.gov;

- 4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: jim.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

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For further information, please contact Cecilia Seppings at (202) 418-1588, or Denise Coca at (202) 418-0574.